



San Diego City Attorney Jan I. Goldsmith

NEWS RELEASE

FOR IMMEDIATE RELEASE: December 17, 2010

Contact: Gina Coburn, Communications Director: (619) 533-6181

CITY WINS \$13.5 MILLION LAWSUIT

San Diego, CA: The City of San Diego was successful in obtaining dismissal of a lawsuit filed last year seeking refund of \$13.5 million in rental unit fees. The lawsuit, *Swift Frame v. City of San Diego*, was filed in 2009 following an earlier 2006 successful challenge to a portion of the rental unit fees in *Weisblat v. City of San Diego*. After the Weisblat decision, the City refunded nearly \$2 million to rental owners, but *Swift Frame v. City of San Diego* was filed to force the City to refund another \$13.5 million. The City Attorney's office was successful in contending that the *Weisblat* did not go that far.

The "business tax processing fee" was established by the City Council in 2004 and was challenged in 2006 in the *Weisblat* case.

"The City must obey the law and that's why it refunded nearly \$2 million," said City Attorney Jan Goldsmith. "But, the law did not require \$13.5 million in refunds."

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